Amendments to the Claims:

This listing of claims will replace all prior versions, and listings, of claims in the application:

Listing of Claims:

- 1. (Previously presented) A fluid system, comprising:
 - a continuous liquid phase; and
 - a lost circulation material;

wherein said lost circulation material comprises hollow particles that assist in effectively sealing a formation.

- 2. (Canceled)
- 3. (Previously presented) A fluid system according to claim 1 wherein the continuous liquid phase is selected from the group consisting of: an aqueous liquid, an oleaginous liquid and combinations thereof.
- 4-5. (Canceled)
- 6. (Original) A fluid system according to claim 1 wherein said lost circulation material further comprises aggregate particles that assist in effectively sealing the formation.
- 7. (Canceled)
- 8. (Original) A fluid system according to claim 1 wherein said lost circulation material further comprises a dilatant additive.
- 9. (Original) A fluid system according to claim 8 wherein the dilatant additive comprises ungelatinized starch.
- 10. (Canceled)
- 11. (Original) A fluid system according to claim 1 further comprising a viscosifier.

- 12. (Original) A fluid system according to claim 11 wherein the viscosifier comprises a xanthan gum.
- 13. (Original) A fluid system according to claim 11 wherein the viscosifier comprises about 0.5 ppb to about 2.0 ppb of the fluid system.
- 14. (Original) A fluid system according to claim 1 wherein the hollow particles have a size distribution of about 10 to about 350 μ m.
- 15. (Original) A fluid system according to claim 1 wherein the hollow particles comprise about 5 percent to about 80 percent by volume of the fluid system.
- 16. (Canceled)
- 17. (Original) A fluid system according to claim 1 wherein the hollow particles have a density of about 0.35 to about 0.9.
- 18. (Canceled)
- 19. (Canceled)
- 20. (Previously presented) A fluid system according to claim 1 further comprising aphrons.
- 21 35.(Canceled)
- 36. (Original) A fluid system according to claim 1 wherein the hollow particles are spherical.
- 37. (Original) A fluid system according to claim 1 wherein the hollow particles have a sphericity of 0.5 or greater and a roundness of 0.3 or greater as measured by the Krumbein and Sloss chart for visual estimation of roundness and sphericity.

38. (Original) A fluid system according to claim 1 wherein the hollow particles have a density of greater than or equal to 0.9.

39 - 205. (Canceled)

206. (Withdrawn) A method of sealing a formation comprising:

introducing a fluid into the formation, said fluid having a continuous liquid phase and forming a pill that sits downhole for a period of time sufficient for the pill to begin to soak into the formation; and

utilizing a lost circulation material in said pill, said lost circulation material comprising aphrons that assist in effectively sealing the formation.

207 - 255. (Canceled)

256. (Withdrawn) A method of sealing a formation comprising:

introducing a fluid into the formation, said fluid having a continuous liquid phase;

utilizing a lost circulation material in said fluid that assists in effectively sealing the formation, wherein said lost circulation material comprises aggregate particles and a dilatant additive.

- 257. (Withdrawn) A method according to claim 256 further comprising deliquifying the fluid within the formation.
- 258. (Withdrawn) A method according to claim 256 wherein the dilatant additive comprises from about 20 to about 500 ppb of the volume of the total fluid.
- 259. (Withdrawn) A method according to claim 256 wherein the lost circulation material comprises from about 5 to about 30 percent by volume of the total fluid.
- 260. (Withdrawn) A method according to claim 256 wherein the dilatant additive comprises an additive selected from the group consisting of ungelatinized starch, sulfonated polymers, cellulose containing polymers, polyvinyl alcohol, bituminous coal and mixtures thereof.

- 261. (Withdrawn) A method according to claim 256 wherein the dilatant additive comprises a polymer.
- 262. (Withdrawn) A method according to claim 256 wherein the aggregate particles comprise calcium silicate.

263. (New) A fluid system, comprising:

- a continuous liquid phase;
- a lost circulation material; and

aphrons, wherein said lost circulation material comprises hollow particles that assist in effectively sealing a formation.

264. (New) A fluid system, comprising:

- a continuous liquid phase;
- a lost circulation material; and

aphrons, wherein said lost circulation material comprises hollow particles that assist in effectively sealing a formation and wherein the hollow particles have a size distribution of about 10 to about 350 μ m.

265. (New) A fluid system, comprising:

- a continuous liquid phase;
- a lost circulation material; and

aphrons, wherein said lost circulation material comprises hollow particles that assist in effectively sealing a formation and wherein the hollow particles comprise about 5 percent to about 80 percent by volume of the fluid system.

266. (New) A fluid system, comprising:

- a continuous liquid phase;
- a lost circulation material; and

aphrons, wherein said lost circulation material comprises hollow particles that assist in effectively sealing a formation and wherein the hollow particles have a density of about 0.35 to about 0.9.

267. (New) A fluid system, comprising:

- a continuous liquid phase;
- a lost circulation material;
- aphrons; and
- a viscosifier,

sealing a formation.

wherein the continuous liquid phase is selected from the group consisting of: an aqueous liquid, an oleaginous liquid and combinations thereof; and wherein said lost circulation material comprises hollow particles that assist in effectively